

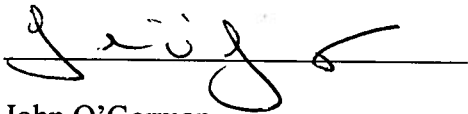
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Dear Attorney General Coakley: / *DEPT OF PUBLIC HEALTH*

The Public Hearings concerning the transfer of ownership of the 6 Caritas Christi hospitals from the Roman Catholic Archdiocese of Boston to Cerberus/Steward were valuable. Your bottom line: Is this in the public interest? Quite clearly, **NO!** There are many reasons to object to this transfer:

1. Caritas hospitals would have a "Conversion to taxable status to generate significant new state and local tax revenue", according to a News Release of March 25, 2010 (CaritasCarney.org). These "significant" taxes, were estimated by Christopher M. Jedrey, an attorney representing Caritas Christi, to run to \$20 million or more per year. New taxes and the new For Profit status would result in **higher charges** to patients. If Cerberus shareholders want a 10% minimum return on their **\$830 million** investment, this will run to \$83 million per year. Add new taxes of \$20 million, giving a total of **\$103 million to be added to patients' bills every year.**
2. Chairman James Karam spoke of financial disaster. Yet Caritas claims an "outstanding financial turnaround" [http://www.caritaschristi.org/news/To\\_Be\\_Deleted/Good\\_Samaritan/Moodys\\_Investor\\_Service\\_Upgrades\\_Caritas\\_Christi\\_Health\\_Care\\_System\\_Bond\\_Rating&&PrintPage%3DPrint](http://www.caritaschristi.org/news/To_Be_Deleted/Good_Samaritan/Moodys_Investor_Service_Upgrades_Caritas_Christi_Health_Care_System_Bond_Rating&&PrintPage%3DPrint) (18/Feb/2010). Caritas will receive tens of millions of dollars per year extra, perhaps \$100 million or more, from the CeltiCare plan introduced on July 1, 2009. **What is the projected income for Caritas in the years ahead? WE NEED FULL DISCLOSURE!**
3. Catholic hospitals have a long history and a special concern for the poor. It is almost certain that the new owners will cut back on some services in the future. The taxpayers will have to pick up the tab. If the Church continues to close even more services, **further burdens will fall on the taxpayers.**
4. Cardinal O'Malley has not made a good faith effort to secure financial support for his six hospitals. He has not made a widespread appeal for donations, nor asked people to give interest-free loans to Caritas. He has not asked people to buy life insurance policies making Caritas Christi the beneficiary and the owner. This would also result in a charitable tax deduction. Nor has he promoted charitable annuities, where the beneficiaries would not only be supporting their own hospitals but could receive **lifetime income as well.**  
**AS A FULL DISCLOSURE, I SELL LIFE INSURANCE AND ANNUITIES.**
5. Cardinal O'Malley and Caritas Christi have an obligation to continue to own and operate Catholic hospitals, as this is one of the Church's core activities. **Monies have been donated specifically and exclusively for this purpose, and the Archdiocese/Caritas could be faced with many claims to return this money.** Why not resume negotiations with a Catholic hospital group as they did with *Ascension Health* in 2006/2007?

Yours Truly,



John O'Gorman

